# Washington State House of Representatives Office of Program Research

BILL ANALYSIS

## **Early Learning & Human Services Committee**

### **HB 1226**

**Brief Description**: Creating the companion animal safety, population control, and spay/neuter assistance program.

**Sponsors**: Representatives Dunshee, Fitzgibbon, Roberts, Hunt, Dickerson, Anderson, Ryu, Maxwell, Sullivan, Reykdal, Stanford, Haigh, Frockt, Appleton, Kenney, Cody, Santos, Green and Rolfes.

#### **Brief Summary of Bill**

- Establishes a program within the Department of Social and Health Services to assist low-income residents spay or neuter companion animals.
- Authorizes animal shelters, animal control agencies, and animal welfare agencies to
  utilize the program to spay/neuter homeless animals, depending on the availability of
  funds.
- Creates a fee on commercial pet food to fund the program.
- Creates the companion animal spay/neuter assistance account.

**Hearing Date**: 3/3/11

Staff: Megan Palchak (786-7120).

#### Background:

According to the Humane Society of the United States, approximately 3 to 4 million cats and dogs are euthanized in shelters annually due to pet overpopulation and thousands of animals born in Washington end up in already crowded shelters or abandoned on the streets. Pet sterilization is one method to remedy pet overpopulation. Various organizations throughout Washington offer free or reduced spay/neuter surgeries for low-income pet owners. Some organizations collect donations to subsidize spay/neuter surgeries for needy pet owners. Unsubsidized spay/neuter

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surgeries vary in cost. Unsubsidized fees at one Seattle Animal Shelter range from \$85-\$155 per surgery.

#### **Summary of Bill**:

The Department of Social and Health Services (DSHS) is required to administer a new program to assist low-income residents spay or neuter their cats and dogs (companion animals). The DSHS is required to:

- establish eligibility criteria and procedures for screening companion animal owners;
- enroll spay and neuter surgery providers;
- publicize the program;
- actively inform low-income individuals about the assistance offered by the program;
- obtain the greatest number of spay and neuter surgeries that can be accomplished;
- maximize the ease of application and receipt of spay/neuter services; and
- set copayment amounts for spay or neuter surgeries.

The DSHS may contract with organizations with relevant expertise to accomplish the purposes of the program. State agencies including, but not limited to, the Department of Health and the Washington State Health Care Authority are required to work cooperatively with the DSHS to facilitate the development of screening procedures for determining the eligibility of low-income applicants to participate in the program.

Licensed veterinarians, animal care and control agencies, and nonprofit organizations whose services include performing spay and neuter surgeries on companion animals are eligible to apply to the DSHS to participate in the program. Service providers must:

- submit an application to the DSHS that includes a schedule listing the fees charged for spay/neuter services in its normal course of business;
- provide a fee schedule for various categories of sterilization categories; and
- provide reasonable documentation of direct and indirect costs of performing surgical sterilization.

The program will be funded by a new fee on commercial pet food (commercial pet food distributors must pay a fee of \$50 per ton of pet food), and by charitable gifts. The Department of Agriculture is requires to assist the DSHS in collecting these new fees. Fees shall be deposited into a new companion animal spay/neuter assistance account administered by the State Treasurer. The DSHS may expend funds to:

- fund spay or neuter surgeries on companion animals belonging to low-income individuals;
- pay for presurgical examinations and vaccinations of companion animals; and
- fund spay or neuter surgeries on companion animals in the possession of animal shelters, animal care and control agencies, and other animal welfare organizations.

#### The DSHS is required to:

- reimburse spay and neuter providers based upon the provider's normal fee schedule, provided that the normal fee schedule does not exceed a fee that is usual customary and reasonable:
- determine a usual customary and reasonable fee by calculating the 70th percentile rate, based upon the DSHS's review of prevailing fees for similar services;

- establish separate rates of compensation for the reasonable costs of surgical sterilization provided by animal care and control agencies and nonprofit organizations;
- adjust rates of compensation at two-year intervals;
- provide payment to providers on a monthly basis;
- adopt policies and procedures regarding copayment and provider rate determinations; and
- expend at least 90 percent of funds on payment to spay/neuter surgery providers.

The DSHS shall prepare and submit an annual report to describe and evaluate the program's performance and impact over the previous year and cumulatively since the program's inceptions. The first report shall be submitted no later than April 30, 2013. To assist the DSHS in evaluating the impact of the programs, a variety of animal care and control organizations are required to report the number of animals received, where the animals came from, and their fates. Animal shelters that fail to report shall be disqualified from receiving moneys under this act, at the DSHS's discretion.

**Appropriation**: None.

Fiscal Note: Available.

**Effective Date**: This bill takes effect 90 days after adjournment of the session in which the bill is passed, except for sections 1 through 6 relating to establishing the spay/neuter program, and sections 9 through 13 relating to creation of the spay/neuter assistance account, which take effect January 1, 2012.